



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*86 Chambers Street
New York, New York 10007*

September 27, 2021

BY EMAIL

Honorable John G. Koeltl
United States District Judge
United States Courthouse
500 Pearl St.
New York, N.Y. 10007

Re: *United States v. Wells Fargo Bank, N.A.*, No. 8007 (JGK) (DCF)

Dear Judge Koeltl:

This Office represents plaintiff the United States of America (the "United States") in the above-referenced civil fraud action against defendant Wells Fargo Bank, N.A. ("Wells Fargo"), under the Financial Institutions Reform, Recovery, and Enforcement Act ("FIRREA"), 12 U.S.C. § 1833a, alleging that Wells Fargo fraudulently overcharged 771 of its commercial customers (the "Customers") who used Wells Fargo's foreign exchange ("FX") service.

We write respectfully to inform the Court that the United States and Wells Fargo have entered into a proposed Stipulation and Order of Settlement and Dismissal (the "Settlement") resolving this action. Pursuant to the Settlement, Wells Fargo will pay a total of \$72,674,639.80, of which \$35,337,319.90 has been paid collectively to the Customers as restitution, \$35,337,319.90 shall be paid to the United States as a Civil Penalty under FIRREA, and \$2 million shall be paid to the United States as asset forfeiture pursuant to 18 U.S.C. § 981. The Settlement also includes various admissions by Wells Fargo concerning the conduct alleged by the United States.

The United States has also entered into a proposed Stipulation and Order of Settlement and Release (the "Whistleblower Settlement") with Paul J. Kohn, who filed a whistleblower declaration with the United States under the Financial Institutions Anti-Fraud Enforcement Act, 12 U.S.C. §§ 4201 *et seq.* The Whistleblower Settlement resolves Kohn's claim pursuant to 12 U.S.C. § 4205(d) to a share of the civil penalty recovered by the United States in this action.

We respectfully enclose courtesy copies of the following documents filed by the United States for the Court's review:

- (i) The proposed Settlement executed by the United States and Wells Fargo;
- (ii) The proposed Whistleblower Settlement executed by the United States and Kohn; and
- (iii) The United States' complaint.

We respectfully request that the Court approve and sign the proposed Settlement and Whistleblower Settlement. In the event that the Court signs these documents, we respectfully request that the Court email copies of the executed documents to the undersigned counsel for the United States at the email addresses listed below and forward copies of the same to the Clerk of the Court for entry on the docket.

We thank the Court for its consideration of this letter and the enclosed submissions.

Respectfully submitted,

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United States Attorney

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Encls.

cc: Counsel for Wells Fargo Bank, N.A. (By Email)